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廣州藥業股份有限公司

Guangzhou Pharmaceutical Company Limited

(a joint stock company with limited liability established in the People's Republic of China)

(H Share Stock Code: 0874)

**ANNOUNCEMENT OF THE RESOLUTIONS
PASSED AT THE 2010 EXTRAORDINARY GENERAL MEETING**

IMPORTANT NOTICE

- There was no objection or amendment to the resolutions proposed at the extraordinary general meeting.
- There was no new motion proposed at the extraordinary general meeting.

I. CONVENING OF THE 2010 EXTRAORDINARY GENERAL MEETING (THE “EGM”) AND ATTENDANCE THEREOF

The EGM was held by Guangzhou Pharmaceutical Company Limited (the “Company”) on Thursday, 30 December 2010 at 10:00 a.m. at Conference Room 103 of the Company, 45 Sha Mian North Street, Liwan District, Guangzhou City, Guangdong Province, the People’s Republic of China (the “PRC”). 16 shareholders (in person or by proxy) attended the EGM, representing a total of 494,225,027 shares of the Company (of which 428,115,580 shares were domestic shares and 66,109,447 shares were H shares) or approximately 60.95% of the total number of issued shares of the Company. The EGM was convened by the board of directors of the Company (the “Board”) and was presided by Mr. Yang Rongming, chairman of the Company. Some of the directors, supervisors and senior management of the Company together with the attesting lawyers and auditors of the Company were present at the EGM. The EGM was held in compliance with the relevant provisions of the Company Law of the PRC (the “Company Law”) and the Company’s Articles of Association (the “Articles”).

As at the date of the EGM, there were a total of 810,900,000 shares of the Company in issue, of which 591,000,000 shares were domestic shares and 219,900,000 shares were H shares, and the holders thereof were entitled to attend and vote for or against the ordinary resolutions numbered 1 to 4 and the special resolution set out in the notice of the EGM dated 11 November 2010. The substantial shareholder of the Company, Guangzhou Pharmaceutical Holdings Limited (“GPHL”), holding 390,833,391 issued shares of the Company or

approximately 48.20% of the total issued shares of the Company and its associates abstained from voting on the ordinary resolution numbered 2, in relation to the Purchase and Sale Connected Transactions Agreement entered into between the Company and GPLH on 28 October 2010 and the transactions contemplated thereunder. Accordingly, only shareholders of the Company other than GPLH and its associates (“Independent Shareholders”), holding a total of 420,066,609 shares of the Company or approximately 51.80% of the total issued shares of the Company, were entitled to vote on the ordinary resolution numbered 2 at the EGM. No holder of the shares entitled to attend the meeting was required to abstain from voting on any of the resolutions at the EGM, or to attend and vote only against any of the resolutions at the EGM.

II. CONSIDERATION OF THE RESOLUTIONS

In accordance with the agenda of the EGM, the following resolutions (details of which were set out in the notice of the EGM) were passed at the EGM by way of poll:

1. Passed by way of ordinary resolution:

- (1) Provision of guarantees by Guangzhou Bai Di Bio-technology Co., Ltd, a subsidiary of the Company, to secure bank loans for Guangzhou Nuo Cheng Bio-technology Co., Ltd

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
494,225,027	483,935,507	97.92	10,247,520	42,000

- (2) Resolution in relation to Purchase and Sale Agreement relating to Connected Transactions entered into between the Company and Guangzhou Pharmaceutical Holdings Limited and the transactions contemplated thereunder

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
103,391,636	103,391,636	100	0	0

- (3) Resolution in relation to the Purchase and Sale Agreement relating to Connected Transactions entered into between the Company, Guangzhou Pharmaceutical Corporation and Guangzhou Wang Lao Ji Pharmaceutical Company Limited and the transactions contemplated thereunder

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
494,225,027	494,225,027	100	0	0

- (4) Resolution in relation to amendment to the Rules of Procedures for the board of directors of the Company

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
494,225,027	494,225,027	100	0	0

2. Passed by way of special resolution:

Resolution in relation to amendments to the Articles of Association of the Company

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
494,225,027	494,225,027	100	0	0

III. PROCEEDINGS WITNESSED BY LAWYERS AND AUDITORS

Shu Lun Pan Yangcheng Certified Public Accountants Co., Ltd., the Company's domestic auditors, acted as the scrutineer for the voting at the EGM.

The EGM was witnessed by Ms. Zhang Zhenya and Mr. Wu Chunshuang, lawyers from Z&T Law Firm, which issued its legal opinion that the procedures for convening and holding of the EGM complied with the provisions of the Company Law and the Articles, and the eligibility of the persons attending the EGM was lawful and valid. No new motion was proposed by the shareholders at the EGM. The voting procedures for the meeting complied with the laws and regulations and the provisions of the Articles. The resolutions passed at the EGM were lawful and valid.

IV. DOCUMENTS AVAILABLE FOR INSPECTION

1. The resolutions passed at the EGM signed by the shareholders who were present in person or by proxy; and
2. The legal opinion issued by the lawyers in relation to the EGM.

The Board of
Guangzhou Pharmaceutical Company Limited

Guangzhou, the PRC, 30 December 2010

As at the date of this announcement, the Board comprises Mr. Yang Rongming, Mr. Li Chuyuan, Mr. Shi Shaobin and Mr. Wu Changhai as executive directors, and Mr. Liu Jinxiang, Mr. Li Shanmin, Mr. Zhang Yonghua, Mr. Wong Lung Tak Patrick and Mr. Qiu Hongzhong as independent non-executive directors.